

Network for a Free Society

(previously Atlas Economic Research Foundation (UK))

Annual Report and Financial Statements

Year ended 31 December 2015

Charity no: 262982

Network for a Free Society

Contents

Year ended 31 December 2015

	Page
Reference and Administrative Information	1
Report of the Trustees	2
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Principal Accounting Policies	13
Notes to the Financial Statements	14

Trustees

L Whetstone, Chairman
M Fisher
R Boyd
K Okonski

The Trustees were in position from 1 January 2015 to the date of this report.

Principal Office

Bassetts Manor
Hartfield
Sussex
TN7 4LA

Independent Examiner

Mark Bullock FCA
Murphy Salisbury Limited
Chartered Accountants
15 Warwick Road
Stratford upon Avon
Warwickshire
CV37 6YW

Bankers

C Hoare & Co, 37 Fleet Street, London EC4P 4DG.

Network for a Free Society

Report of the Trustees

Year ended 31 December 2015

Report of the Trustees for the year ended 31 December 2015

The Trustees present their report and the financial statements for the year ended 31 December 2015. The financial statements have been prepared in accordance with the accounting policies set out on page 13 and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014. An independent examination of these accounts has been carried out and the report of the examiner is included on page 9.

Constitution

The Atlas Economic Research Foundation (UK), working as Network for a Free Society ("NFS") is constituted under a trust deed dated 30 July 1971, as amended by a Scheme sealed on 19 July 1984. It is a charity registered with the Charity Commission for England and Wales, number 262982. In December 2010, with the consent of the Charity Commission, it adopted the working name of Network for a Free Society and is now known by that name.

Organisation

Network for a Free Society (NFS) is governed by its Board of Trustees who are appointed from time to time by the existing Trustees. Potential new Trustees are considered in terms of their fiduciary experience, understanding of the institutions of a free society and relevant special knowledge. As NFS is small and available time of Trustees is limited, the process of identifying candidates is informal and based on personal contact. Candidates are expected to be already familiar with NFS and its work so that they can make an immediate contribution. Training needs of Trustees may be discussed in Trustees' meetings and addressed on an individual basis as appropriate.

NFS is managed by its Chairman/Director. The Chairman/Director reports to the Trustees at Board meetings and seeks advice from them between meetings as necessary. The Trustees are responsible for setting broad policy, agreeing strategy, approving annual budgets and reviewing activities and results. The Treasurer reviews management accounts on a quarterly basis and is informed of all payments over £2,000.

Independence

NFS is a non-governmental, educational and non-partisan organisation. We value highly our independence from political, commercial or other interests and are governed by a strict code of independence. NFS relies entirely on voluntary donations from individuals, foundations, other charities and businesses. We do not accept grants, donations or other payments from governments or their agencies. We do not accept commissions to perform research on behalf of others. We do not work on a 'consultancy' basis and donors do not have undue influence on what we say.

Risk review

The primary risks to which NFS is exposed are reputational, financial and loss of the Chairman/Director. These risks are reviewed at Board Meetings.

Objects

The objects of NFS are to promote the advancement of learning by research into economic and political science and the publication of such research and in particular (1) by promoting the study of the effect of moral and political factors on the operation of economic laws; (2) by advancing knowledge of economic political and international relations; (3) by providing financial support to individuals engaged in research in the field of economic science; and (4) by joining with, collaborating with and supporting other charitable bodies engaged in similar activities.

Network for a Free Society

Report of the Trustees

Year ended 31 December 2015

Aims and strategy

Our goal is to encourage opportunity and prosperity by promoting understanding of the principles of a free and responsible society and the foundations on which it is based: limited government, the rule of law, the protection of private property, free markets and free speech.

We pursue this goal by creating educational material in several languages which is then distributed to colleagues working with students worldwide. Currently we have material in Arabic, Chinese, English, French, Kyrgyz, Farsi, Portuguese, Russian and Turkish.

We also run meetings where our mission is explored and explained and fund fellowships to enable attendance by selected individuals who might not be able to pay all of the costs themselves.

Grant making policy

NFS makes grants to individuals and organisations to enable them to run seminars, conferences, essay competitions, camps and workshops where our CDs and other material that support our mission will be distributed, explored and discussed; and we make grants to individuals to enable them to attend such events. We also make grants for translation of texts that support the mission and for publication in hard or soft copy.

Reserves policy

The Trustees' overall objective is to maintain as high as possible a level of programme activity, and not to accumulate reserves beyond the level appropriate to operational requirements.

The Trustees believe that NFS should hold operating reserves because (i) it has no endowment funding and is entirely dependent for income on donor funding from year to year, which is inevitably subject to fluctuation, and (ii) new programme opportunities frequently arise at short notice. As the levels of income and outgoings cannot be predicted with any certainty, the appropriate level of reserves is likely to fluctuate. The Trustees believe that, as a general principle, the level of operating reserves should be equivalent to six months' budgeted operating expenses.

At 31 December 2015, free reserves, defined by the Charity Commission as unrestricted funds not represented by fixed assets, amounted to £128,128, a decrease from the 2014 level of £140,762.

Investment policy

It is the Trustees' policy to manage investments in a conservative manner, appropriate to the Reserves policy. Investments are not regarded as a permanent endowment, and investment income is not reinvested but used to support NFS's work. Funds available for investment, if any, are invested in professionally managed common investment funds. Investment results are reviewed regularly and policy is reviewed annually. NFS did not hold investments during the year under review. Reserves were held in the form of liquid deposits.

Public Benefit

The Trustees confirm that in exercising their powers and fulfilling their responsibilities in pursuit of the aims described above ("Aims and strategy") they have paid due regard to the guidance on public benefit published by the Charity Commission.

Website and Facebook

Its website and Facebook page are the primary means by which NFS communicates directly with the public.

These sites include: www.networkforafreesociety.org and <http://www.facebook.com/freesociety>.

Network for a Free Society

Report of the Trustees

Year ended 31 December 2015

Financial Review

NFS benefited during the year from the receipt of grants from International Policy Network which enabled programme support in many areas. NFS depends on donations to carry out its programmes which are mostly run by others on a programme by programme basis as funds permit. NFS does not have to raise money for administrative management which is provided on a voluntary basis, nor for office costs which are donated. It does, however, need funds for professional services and for temporary assistance with administration, website creation and support. During 2015, NFS had one salaried employee engaged in translation and in publication support.

NFS's total income was £154,914 (of which £119,032 was restricted), compared with £170,793 in 2014. Donations income was £152,774 compared with £168,622 in 2014. Total expenditure was £184,056. Grants totalling £127,210 were made in 2015 to organisations who ran essay competitions, educational seminars, camps and workshops as well as assisting with the production and distribution of CDs. Administration costs were £7,143. NFS prepares its accounts in Sterling; however, almost all donations are received in US Dollars and almost all grants and other disbursements are similarly made in US Dollars. Accordingly, funds are held in Dollar form pending use and gains or losses are recorded in the accounts depending on fluctuations in the Sterling-Dollar exchange rate. Details of expenditure may be found in the Notes 3-5 to the Accounts on pages 14-15. Total funds carried forward at 31 December 2015 were £152,781, which included restricted funds of £24,653.

2015 Programme Activities

Afghanistan

We supported the Afghan Economic and Legal Studies Organisation's internet-based online Radio and TV programme, The Silk Road Station. <https://silkroadstation.com/>, to engage young people in the promotion of free society values and enable them to exchange views and communicate with others inside the country, and around the world on libertarian values.

Armenia

We supported the Armenia Society for Liberty's five day seminar for 40 students and young professionals, and the Armenian Liberty Students Organization's programme of 10 seminars on the principles of a free society.

Bosnia

In 2015 NFS supported the Bosnian student organization Multi to put on a "Night of ideas" in two cities in Bosnia and Herzegovina which was even more popular than in 2014 and will now be a regular annual feature of their programme. We also supported a project called "Catalaxy" seminars to deliver the ideas of economic liberalism and the philosophy of liberty to university and high school students as well as other categories of the B&H population.

Burundi

In November 2015 Aimable Manirakiza of Students for Liberty in Burundi, which is one of the world's poorest nations, approached us for funding for student outreach including copies of the French treasury of classical liberal texts on CD. As the customs will not allow educational material into Burundi we enabled Aimable to make them there. 116 students attended the first event and the students now plan 10 more so we sent another 100 CDs as they have no books.

Cote D'Ivoire

Audace Institute Afrique (AIA) in Cote D'Ivoire provided training for a group in Mali which they previously helped to set up and which we funded. This involved teaching them how to manage an association regarding accounting, communications, public speaking, fundraising and writing newspaper articles. We also supported their Citizen Actor project which teaches Ivorian students that civil society can and should play a role in holding government, in all its forms, to account which is not in their tradition. Every session was packed.

Ethiopia

Teachings of Entrepreneurship on Antipoverty Movement (TEAM) promotes the values of economic freedom and ideas for a Free Society through a variety of student outreach programs which we helped to fund. This includes distribution of the Amharic edition of the Foundation for a Free Society, the

Network for a Free Society

Report of the Trustees

Year ended 31 December 2015

translation of which we funded as well as other books and the CDs of Ideas for a Free Society which NFS supplied to them. Kidus Mehalu, our partner has conducted this work courageously in the face of official hostility and has suffered for it physically on several occasions.

India

India's Future Foundation operates in the province of Hyderabad and we funded their Free Enterprise Seminars which attracted over 100 participants and their Free Enterprise Workshops, which are smaller with about 15 young entrepreneurs learning about the importance of free markets for innovation and growth. We also supply the CDs to the Centre for Civil Society in Delhi for distribution in Kashmir, Mumbai, Kozhikode, Ahmedabad, Delhi, Rajasthan and Hyderabad.

Iran

During 2015, two more copies of the magazine Excellent Organisation were published in Iran and the book 'Foundations of a Free Society' and two other books were translated into Farsi and prepared for commercial publication in hard copy there, all with support from NFS. The Foundations book has been promoted widely and reviewed in a number of papers. It is being sold by major book distributors and was endorsed by the Salem Foundation.

Istanbul Network for Liberty

The mission of the Istanbul Network for Liberty (INFoL) is to explore the principles and values of a free society in a Muslim world. They held a successful conference in Marrakech in May 2015 and NFS supported the attendance of a number of students and young academics and activists at the event. It is currently being rehomed in Malaysia where it can have a bank account and accept payments from around the world so that it can set up a secretariat and achieve more of its strategic objectives.

Kazakhstan

The Institute for Development and Economic Affairs (IDEAs) ran a project with NFS support on open borders:

- To promote the idea of open borders on community level
- To advocate for the extension of visa-free policies for 10 and more countries
- To advocate for the simplification of entry requirements for immigrants
- To promote the notion of Almaty city becoming a regional start-up hub.

Kenya

The East African Policy Centre ran events at the United States International University in Nairobi and the Christian Intermediate Technology College in the Rift Valley with our support and were very helpful in making available CDs, from the 4,000 we sent them, to smaller organisations in Kenya. The South Eastern Kenya University Leadership Academy received some CDs from them and ran a very successful day-long student seminar with some small funding from NFS. In the morning they studied chapters from A Student's Guide to Liberty, edited by Richard Wellings of the IEA, which they were required to read beforehand. During the afternoon they were taught leadership skills.

Kyrgyzstan

The Central Asian Free Market Institute, supported by NFS, ran a very successful Students4Reform contest involving 15 universities, 4 public lectures, 408 students applying and 51 being selected. 36 of them subsequently applied for 6 student internship places following which 3 of them got a job. All 51 joined the CAFMI CLUB. In groups they wrote 9 public policy papers and the prizes for the contest went to those groups whose public policy papers were published.

Malaysia

Institute for Democracy and Economic Affairs ran two events with NFS support. A Master Class in Liberalism designed to combat the growth of loud illiberal voices complete with proper reading materials, assessments and certificates to those who successfully complete the course. Three full day master classes accepted 25-30 year old university students and young professionals, covering an Introduction to Classical Liberalism, Liberalism & Education and Liberalism in Political Economy & Governance. Also a two-day seminar for 18 young intellectuals who already had an understanding of the principles and foundations of a free society to enable them to promote it more confidently and effectively.

Network for a Free Society

Report of the Trustees

Year ended 31 December 2015

Malawi

The Center for Free Market Enterprise ran three different projects with NFS funding in 2015. The Southern African Students for Liberty Regional Conference, three Liberty and Entrepreneurship seminars and a debate series between four universities on the question of who owns the key to youth unemployment. The final attracted 91 media mentions. They have also produced 2000 of the first batch of the CDs Ideas for a Free Society which they quickly exhausted and will now distribute a further batch of 2000.

The Mena Region

NFS funded the translation of a significant number of texts into Arabic which are on the Arab Center website and some have now been published in hard copy by commercial publishers, most recently Economic Freedom and Development by Wolfgang Kasper and Public Choice by Eamonn Butler. NFS also funded the creation of the mini-library on CD of the on-line texts to make them available to a much wider audience at low cost and a two-day seminar for 18 young intellectuals to discuss specified classical liberal texts to deepen their understanding.

Namibia

The Chevauchee Foundation organises a reading and debating project for high school students at 70 high schools across Namibia. Reading clubs have been established at each school and provided with books to introduce students to the philosophy of freedom and also provide a basic introduction to economics. 5000 books have already been printed for distribution to the clubs. NFS provides limited general support.

Nepal

Samriddhi, The Prosperity Foundation, used the current enthusiasm among students for debating to engage a larger audience in a discussion on liberal ideas and are joining with the newly established Debate Network Nepal (DNN) to run a five month series. The Liberty Debates will culminate in 'The Liberty Championship' after roughly 5 months and will be divided into quarterfinals, semi-finals, knockouts and then final matches. Prizes could be monetary as well as scholarships to Arthalaya and/or other liberty forums in Nepal or India.

Pakistan.

Policy Research Institute of Market Economy (PRIME) ran a two day workshop for young people between 21 and 29 years old in August 2015 on the topic of "Private Property, Privatisation and Ownerships rights. 120 applications were received and 20 selected after a thorough process based on demonstrated leadership, extracurricular activity and any writing or publishing experience. In December they arranged a two-day seminar for young intellectuals with more advanced understanding of the principles and values of a free society for intensive discussion of reading material which they will be given well before the event. NFS was the funder for both events.

The Alternative Solutions Institute held its 7th residential workshop in Khanasphur, Ayyubia, and there were about 25 participants selected from the many applicants from across the country through a rigorous process. The group identified poverty, corruption, power shortage, and financial mismanagement as the major problems faced by the country and popular myths were debated. This workshop was funded by NFS and has produced many who subsequently became involved in promoting freedom in Pakistan themselves. It was followed by three full-day seminars for about 35 to 40 students who will all get copies of the CD. The first on free trade, the second for women only on the importance of private property rights for women and its ability to empower them, and the third on the rule of law.

Sub Saharan African Essay Contest.

2015 saw the 6th Sub Saharan essay contest run by Adedayo Thomas of African Liberty Organisation for Development, and the 5th funded by NFS. 248 qualified submission were received from Ghana, Republic of Benin, Tanzania, Kenya, South Africa, Uganda and Nigeria and the topic was "Government regulations and controls are the biggest threat to jobs in Africa today – Discuss". The ten highest placed students received cash prizes and the top three attended a three-day liberty camp at the Jaramogi Oginga Odinga University of Science and Technology in Kenya, from which we received glowing reports.

Network for a Free Society

Report of the Trustees

Year ended 31 December 2015

Tajikistan

The Tajikistan Free Market Centre ran a debate league between March & July 2015 in conjunction with the Dushanbe Debate Centre. The purpose was to raise awareness amongst young people of the concept of a free society and the role of the individual and the state. It involved 16 debate teams of young people between 16 and 30 years and was unique in that the debates were preceded by 14 educational seminars so that the participants had a thorough understanding of the topics.

Tanzania.

The Uhuru Initiative for Policy and Education in Tanzania at just one year old ran several projects in 2015 with the support of NFS. The Uhuru Leadership Academy and Uhuru Leadership Forum took place in Dar-es-Salaam with the objectives of increasing understanding of the ideas for a free society and learning to advocate those ideas both within and outside university campuses. 30 graduates and young professionals took part learning from texts on the English language CD 'Ideas for a Free Society'. NFS also funded Uhuru to publish 'Foundations for a Free Society' or 'Misingi Ya Jamii Huru' in Swahili language for students in Tanzania. 1500 copies will be distributed.

Turkey

The Association of Liberal Thinking conducted a number of NFS-funded educational programmes through its Liberty Academy in 2015: introductory level seminars in different parts of Turkey; colloquia with advanced level participants including graduates of the introductory seminars; educational Internships at ALT's Ankara office for one- or two-month periods; and an essay contest for undergraduates on topics from the texts on the Turkish CD to educate participants and help ALT identify talented students.

Future

The Trustees intend to continue the type of programmes carried out in 2015 although the scale may be somewhat reduced depending on funding available. Indications are that grants received from International Policy Network are likely to be significantly lower with the ending in 2016 of five-year support by a major donor. NFS will be seeking alternative funding sources but is unlikely to be able to replace in full the generous support that has been received indirectly from this donor.

NFS has only one employee and makes grants according to funding available, and therefore has budgeted to curtail its activities accordingly. This will, however, have an adverse impact on partners, who have been kept fully informed.

Statement as to Disclosure of Information

The Trustees who were in office on the date of these financial statements have confirmed that, as far as they are aware, there is no relevant information of which the independent examiner is unaware. Each of the Trustees has confirmed that he/she has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant information and to establish that it has been communicated to the examiner.

Network for a Free Society

Report of the Trustees

Year ended 31 December 2015

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

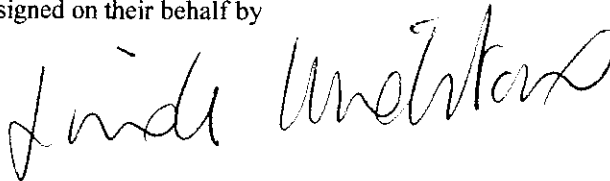
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf by

LINDA WHETSTONE
Trustee



Date

18th August 2016

Independent Examiner's Report to the Trustees of the Network for a Free Society.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

As the Charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of Section 144 of the Charities Act 2011 (the Act) does not apply, and that an independent examination is needed. It is my responsibility to examine the accounts under Section 145 of the Act and to follow the procedures specified in the General Directions given by the Charity Commission under Section 145(5) (b) of the Act and to state whether particular matters have come to my attention.

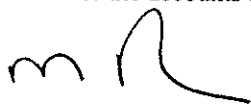
BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with Section 130 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mark Bullock FCA
Murphy Salisbury Limited
Chartered Accountants
15 Warwick Road
Stratford upon Avon
Warwickshire
CV37 6YW

.....18/18.....2016

Network for a Free Society

Statement of Financial Activities

Year ended 31 December 2015

	Notes	Unrestricted Income Funds £	Restricted Income Funds £	Total Year to 31 December 2015 £	Total Year to 31 December 2014 £
Income and Endowments from:					
Donations and legacies	1	33,742	119,032	152,774	168,622
Investments	2	471	-	471	441
Other: foreign exchange gains		1,669	-	1,669	1,730
TOTAL		35,882	119,032	154,914	170,793
Expenditure on:					
Raising funds	3	1,730	-	1,730	1,690
Charitable activities:					
Grants	4	38,824	88,386	127,210	128,741
Programme activities		819	47,154	47,973	71,190
Support costs		7,143	-	7,143	7,565
TOTAL	5	48,516	135,540	184,056	209,186
Net income/(expenditure), being net movement in funds		(12,634)	(16,508)	(29,142)	(38,393)
Reconciliation of Funds:					
TOTAL FUNDS BROUGHT FORWARD	11	140,762	41,161	181,923	220,316
TOTAL FUNDS CARRIED FORWARD	11	128,128	24,653	152,781	181,923

All of the above results are derived from continuing activities.

All gains and losses in the year are included above.

Network for a Free Society

Balance Sheet

As at 31 December 2015

	Notes	At 31 December 2015 £	At 31 December 2014 £
Current Assets:			
Debtors	8	23,333	-
Cash at bank		139,455	189,730
		<u>162,788</u>	<u>189,730</u>
Creditors: amounts falling due within one year	9	(10,007)	(7,807)
		<u>152,781</u>	<u>181,923</u>
Net current assets			
		<u>152,781</u>	<u>181,923</u>
TOTAL NET ASSETS			
	10	<u>152,781</u>	<u>181,923</u>
The funds of the charity:			
Unrestricted funds	11	128,128	140,762
Restricted funds	11	<u>24,653</u>	<u>41,161</u>
Total charity funds	11	<u>152,781</u>	<u>181,923</u>

Approved and authorised for issue by the Trustees on

18th August 2016.

and signed on their behalf by



LINDA WHETSTONE
Trustee

The notes on pages 13 to 17 form part of these accounts.

Network for a Free Society

Statement of Cash Flows

For the year ended 31 December 2015

		Year to 31 December 2015 £	Year to 31 December 2014 £
Cash flows from operating activities:			
Net cash used in operating activities	(A)	<u>(50,746)</u>	<u>(38,034)</u>
Cash flows from investing activities:			
Interest		<u>471</u>	<u>441</u>
Net cash provided by investing activities		<u>471</u>	<u>441</u>
Change in cash and cash equivalents in the year		(50,275)	(37,593)
Cash and cash equivalents brought forward		189,730	227,323
Cash and cash equivalents carried forward		<u>139,455</u>	<u>189,730</u>

(A)

Reconciliation of net (expenditure) to net cash flow from operating activities:

Net (expenditure) for the reporting period (as per the statement of financial activities)	(29,142)	(38,393)
Adjustments for:		
Interest income shown in investing activities	(471)	(441)
(Increase in debtors)	(23,333)	-
Increase in creditors	<u>2,200</u>	<u>800</u>
Net cash used in operating activities	<u>(50,746)</u>	<u>(38,034)</u>

Network for a Free Society

Principal Accounting Policies

Year ended 31 December 2015

(a) Basis of preparation and going concern

The financial statements have been prepared under the historical cost convention in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

The Trustees confirm that at the time of approving the financial statements, there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. It has already been stated in the Trustees' report that they anticipate a significant decline in total grants received following the current financial year. NFS has only one employee and makes grants according to funding available, so will be able to curtail its activities accordingly. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Charity's reserves position. For this reason, the going concern basis continues to be adopted in the preparation of the Charity's financial statements.

In preparing these accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

(b) Donations and legacies

Donations and legacies are included in the year in which they are receivable, which is when the charity becomes entitled to the resource with reasonable certainty having met all the conditions for its receipt and it can be measured reliably.

(c) Investment income

Investment income is accounted for in the period in which the charity is entitled to receipt.

(d) Expenditure

Expenditure is included on an accruals basis.

Expenditure on raising funds comprise those costs incurred in raising the media profile of the charity and encouraging voluntary donations together with any direct costs of preparing applications for funds.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Administration costs are those costs incurred in providing a central resource to manage the office of the charity on a day to day basis together with any legal and professional costs, including accountants' fees, and Trustees' expenses incurred in fulfilling the statutory obligations of the charity.

(e) Fund accounting

Details of the nature and purpose of each fund is set out in Note 9. Restricted funds are those donated to the charity for a specific purpose.

(f) Foreign exchange

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the Statement of Financial Activities.

(g) Allocation of expenditure

Expenditure is allocated to a particular activity where the cost relates directly to that activity.

(h) Recognition of liabilities

Liabilities are recognised when either a constructive or legal obligation exists.

Network for a Free Society

Notes to the Financial Statements

Year ended 31 December 2015

1. Donations and legacies

	Unrestricted £	Restricted £	Total 2015 £	Unrestricted £	Restricted £	Total 2014 £
Donations	33,742	119,032	152,774	61,203	107,419	168,622
Total	33,742	119,032	152,774	61,203	107,419	168,622

2. Investment income

	Unrestricted £	2015 £	Unrestricted £	2014
COIF – deposit interest	471	471	441	441
Total	471	471	441	441

3. Raising funds

	Unrestricted £	2015 £	Unrestricted £	2014
Communication	1,730	1,730	1,690	1,690
Total	1,730	1,730	1,690	1,690

Network for a Free Society

Notes to the Financial Statements

Year ended 31 December 2015

4. Grants payable

	Unrestricted £	Restricted £	2015	2014
African Liberty Organisation	9,446	-	9,446	15,485
Afghanistan Economic and Legal Studies Organization	3,226	-	3,226	6,452
Alternate Solutions Institute, Pakistan	-	6,774	6,774	5,161
Atlas Economic Research Foundation	1,935	-	1,935	-
Arab Center for Scientific Research and Humane Studies	-	23,871	23,871	19,258
Armenian Liberty Students Organization	3,226	-	3,226	2,709
Association "Multi", Bosnia and Herzegovina	-	3,226	3,226	1,935
Audace Institut Afrique	4,516	-	4,516	3,226
Center for Advancement of Free Enterprise, Bosnia	-	-	-	3,226
Center for Free Market Enterprise, Malawi	-	2,581	2,581	-
Central Asian Free Market Institute, Kyrgyzstan	-	3,226	3,226	4,516
Chevauchee Foundation	1,935	-	1,935	-
East Africa Policy Centre, Nairobi	645	1,935	2,580	3,226
Freedom Research Association, Turkey	1,290	-	1,290	-
India's Future Foundation	2,605	-	2,605	-
Institute For Democracy and Economic Affairs, Malaysia	-	15,161	15,161	11,613
Institut Coppet	-	-	-	1,935
Institute for Development and Economic Affairs, Kazakhstan	-	3,226	3,226	4,516
Istanbul Network for Liberty	-	3,226	3,226	6,452
Association for Liberal Thinking, Turkey	-	7,741	7,741	13,548
Language of Liberty Institute	-	-	-	3,226
PRIME Institute, Pakistan	-	12,903	12,903	-
Samriddhi The Prosperity Foundation	-	3,226	3,226	3,226
Students for Liberty, Malawi	4,839	-	4,839	6,129
Tajikistan Free Market Centre	-	-	-	4,516
Tashende Enterprises, Namibia	-	-	-	1,935
Teachings of Entrepreneurship on Antipoverty Movement, Ethiopia	1,935	1,290	3,225	5,161
Uhuru Initiative for Policy Education, Tanzania	3,226	-	3,226	-
Travel Grant to Individual Academic	-	-	-	645
New Economic School, Georgia	-	-	-	645
Total	38,824	88,386	127,210	128,741

Network for a Free Society

Notes to the Financial Statements

Year ended 31 December 2015

5. Total expenditure

Costs directly related to activities:	2015	2014
Raising funds:		
Communication	1,730	1,690
Support costs:		
Accounting and office costs	3,346	4,147
Bank fees	1,217	1,258
Governance costs:		
Independent examiner's fees	2,580	2,160
	<u>7,143</u>	<u>7,565</u>
Charitable activities:		
Grants	127,210	128,741
Programme activities:		
CD Project - from restricted funds	-	13,074
Arabic Project – from restricted funds	4,409	8,372
Farsi Project – from restricted funds	41,777	40,162
Miscellaneous Projects/Translations – from restricted funds	968	968
Miscellaneous Projects/Translations – from unrestricted funds	819	8,614
	<u>47,973</u>	<u>71,190</u>
Total resources expended	184,056	209,186

6. Staff costs and remuneration of trustees

Staff costs:	2015	2014
	£	
Wages and salaries	38,000	38,000
Social security costs	3,630	2,155
	<u>41,630</u>	<u>40,155</u>

The average number of staff employed, calculated as full time equivalents, during the year was as follows:

2015	2014
No.	No.
1	1

No employee received remuneration of more than £60,000 in either the current or preceding year.

None of the Trustees received any remuneration or expenses from, or made any donations to, the charity during either the current or previous years. There was an amount owed to the Chairman at the year end of £774 (2014:£301).

Senior management responsibilities are assumed by the Chairman, who receives no remuneration.

7. Taxation

The charity is exempt from corporation tax on its charitable activities.

Network for a Free Society

Notes to the Financial Statements

Year ended 31 December 2015

8. Debtors: amounts falling due within one year

	2015 £	2014 £
Accrued income	23,333	-
Total	23,333	-

9. Creditors: amounts falling due within one year

	2015 £	2014 £
Other creditors	774	301
Taxation and social security	5,629	3,337
Accruals	3,604	4,169
Total	10,007	7,807

10. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Current Assets	132,506	30,282	162,788
Current Liabilities	(4,378)	(5,629)	(10,007)
Total	128,128	24,653	152,781

11. Unrestricted and restricted funds

	At 1 January 2015 £	Incoming Resources £	Outgoing Resources £	At 31 December 2015 £
Unrestricted funds	140,762	35,882	(48,516)	128,128
Restricted funds:				
Ideas CD project	-	71,935	(65,484)	6,451
Arabic Project	23,568	19,355	(28,279)	14,644
Farsi Project	17,593	27,742	(41,777)	3,558
Total restricted funds	41,161	119,032	(135,540)	24,653
Total funds	181,923	154,914	(184,056)	152,781

Unrestricted funds – comprise those funds which the Trustees are free to use in accordance with the charitable objects.

Restricted funds – are funds which have been given for particular purposes and projects: the ideas CD project involves the translation of texts and creation and distribution of CDs; and there are specific projects relating to Arabic and Farsi translations.

12. Related Party Transactions

There were no related party transactions for the year ended 31 December 2015.